

## Ocean Energy Management, Interior

§519.414

- (iii) Royalties taken by the Secretary in-kind and not sold;
- (iv) User fees; and
- (v) Lease revenues explicitly circumscribed from GOMESA revenue sharing by statute or appropriations law.

### §519.412 How will the qualified OCS revenues be divided?

For each of the fiscal years 2007 through 2016, 50 percent of the qualified OCS revenues will be placed in a special U.S. Treasury account from which 75 percent of the revenues will be disbursed to the Gulf producing States, and 25 percent will be disbursed to the Land and Water Conservation Fund. Each Gulf producing State will receive at least 10 percent of the qualified OCS revenues available for allocation to the Gulf producing States each fiscal year.

#### REVENUE DISTRIBUTION OF QUALIFIED OCS REVENUES UNDER GOMESA

Recipient of qualified OCS revenues	Percentage of qualified OCS revenues (percent)
U.S. Treasury (General Fund) .....	50
Land and Water Conservation Fund .....	12.5
Gulf Producing States .....	30
Gulf Producing State Coastal Political Subdivisions .....	7.5

### §519.413 How will the coastal political subdivisions of Gulf producing States share in the qualified OCS revenues?

Of the revenues allocated to a Gulf producing State, 20 percent will be distributed to the coastal political subdivisions within that State.

### §519.414 How will BOEM determine each Gulf producing State's share of the qualified OCS revenues?

(a) BOEM will determine the geographic centers of each applicable leased tract and, using the great circle distance method, will determine the closest distance from the geographic centers of each applicable leased tract to each Gulf producing State's coastline.

(b) Based on these distances, we will calculate the qualified OCS revenues to be disbursed to each Gulf producing State using the following procedure:

(1) For each Gulf producing State, we will calculate and total, over all applicable leased tracts, the mathematical inverses of the distances between the points on the State's coastline that are closest to the geographic centers of the applicable leased tracts and the geographic centers of the applicable leased tracts. For applicable leased tracts intersected by the planning area administrative boundary line, the geographic center used for the inverse distance determination will be the geographic center of the entire lease as if it were not intersected.

(2) For each Gulf producing State, we will divide the sum of each State's inverse distances, from all applicable leased tracts, by the sum of the inverse distances from all applicable leased tracts across all four Gulf producing States. We will multiply the result by the amount of qualified OCS revenues to be shared as shown below. In the formulas, IAL, ILA, IMS, and ITX represent the sum of the inverses of the closest distances between Alabama, Louisiana, Mississippi, and Texas and all applicable leased tracts, respectively.

Alabama Share =  $(IAL \div (IAL + ILA + IMS + ITX)) \times \text{Qualified OCS Revenues}$

Louisiana Share =  $(ILA \div (IAL + ILA + IMS + ITX)) \times \text{Qualified OCS Revenues}$

Mississippi Share =  $(IMS \div (IAL + ILA + IMS + ITX)) \times \text{Qualified OCS Revenues}$

Texas Share =  $(ITX \div (IAL + ILA + IMS + ITX)) \times \text{Qualified OCS Revenues}$

(3) If in any fiscal year, this calculation results in less than a 10 percent allocation of the qualified OCS revenues to any Gulf producing State, we will recalculate the distribution. We will allocate 10 percent of the qualified OCS revenues to the State and recalculate the other States' shares of the remaining qualified OCS revenues omitting the State receiving the 10 percent minimum share and its 10 percent share from the calculation.